

BANK INDONESIA REGULATION

NUMBER: 15/16/PBI/2013

ON

RESERVE REQUIREMENTS IN RUPIAH AND FOREIGN CURRENCIES FOR SHARIA
COMMERCIAL BANKS AND SHARIA BUSINESS UNITS

BY THE BLESSINGS OF GOD THE ALMIGHTY

BANK INDONESIA GOVERNOR,

Upon

Considering : a. that liquidity adequacy of sharia banks must be maintained to support monetary stability achievement;

b. that to support financial sector stability and anticipate potential risks arising from economic dynamics, it is necessary to reinforce liquidity of sharia banks by considering their roles in performing intermediary functions;

c. that to achieve liquidity adequacy and performing intermediary functions optimally, it is necessary to regulate liquidity of sharia banks through reserve requirement policy;

d. that pertaining to the shifting of regulatory and supervisory functions, tasks, and authority of financial service activities in banking sector from Bank Indonesia to the Financial Services Authority (*Otoritas Jasa Keuangan/OJK*) as from 31 December 2013, it is necessary to improve the provisions for reserve requirements;

e. that based on the foregoing, it is necessary to re-establish Bank Indonesia Regulation on Reserve Requirements in Rupiah and Foreign Currencies for Sharia Commercial Banks and Sharia Business Units;

Observing : Law Number 23 of 1999 on Bank Indonesia (State Gazette of the Republic of Indonesia Number 66 of 1999, Supplement to State Gazette of the Republic of Indonesia Number 3843) as last amended by Law Number 6 of 2009 on Establishment of Government Regulation in Lieu of Law Number 2 of 2008 on the Second Amendment to Law Number 23 of 1999 on Bank Indonesia as a Law (State Gazette of the Republic of Indonesia Number 7 of 2009, Supplement to State Gazette of the Republic of Indonesia Number 4962);

HAS DECIDED:

To establish : BANK INDONESIA REGULATION ON RESERVE REQUIREMENTS IN
RUPIAH AND FOREIGN CURRENCIES FOR SHARIA COMMERCIAL
BANKS AND SHARIA BUSINESS UNITS

CHAPTER I

GENERAL PROVISIONS

Article 1

In this Bank Indonesia Regulation:

1. Bank means Sharia Commercial Banks and Sharia Business Units.
2. Sharia Commercial Bank, hereinafter referred to as SCB, has a meaning as set forth in Law Number 21 of 2008 on Sharia Banking.
3. Sharia Business Unit, hereinafter referred to as SBU, has a meaning as set forth in Law Number 21 of 2008 on Sharia Banking.

4. Foreign Exchange Bank means Banks which obtain approval of Bank Indonesia or OJK to carry on business activities in foreign exchange.
5. Financial Services Authority (*Otoritas Jasa Keuangan*), hereinafter referred to as OJK, means Financial Services Authority as set forth in Law Number 21 of 2011 on Financial Services Authority.
6. Third Party Funds, hereinafter referred to as TPF, mean the obligation of Banks to residents and non-residents in Rupiah and foreign currencies.
7. Demand Deposit Account means an account of a particular external party with Bank Indonesia as a means of administering transactions of savings, which may be withdrawn at any time.
8. Demand Deposit Account in Rupiah, hereinafter referred to as Demand Deposit Account in Rupiah, means a Demand Deposit Account in Rupiah, which may be withdrawn by using Bank Indonesia cheques, bill of exchange, or any other means set forth in Bank Indonesia regulations on Demand Deposit Account relation between Bank Indonesia and external parties.
9. Demand Deposit Account in Foreign Currencies, hereinafter referred to as Demand Deposit Account in Foreign Currencies, means a Demand Deposit Account in a foreign currency, which may be withdrawn by bank transfer or any other means set forth in Bank Indonesia provisions for Demand Deposit Account relation between Bank Indonesia and external parties.
10. Bank Financing, hereinafter referred to as Financing, means assets of Banks in the form of *mudharabah* financing, *musyarakah* financing, receivables, and *ijarah*.
11. Reserve Requirements, hereinafter referred to as RR, means minimum funds, which must be maintained by Banks, whose amount is determined by Bank Indonesia in a certain percentage of TPF.

12. Interbank Money Market under Sharia Principles, hereinafter referred to as IMMSP, means interbank short term financial transactions under sharia principles in Rupiah or foreign currencies.
13. Interbank Mudharabah Investment Certificate, hereinafter referred to as SIMA, means a certificate issued by SCB or SBU and used as a means of short-term investment in IMMSP under a *mudharabah* agreement.
14. SIMA Yield Indication Rate means weighted average of SIMA Yield Indication Rate in Rupiah taking place in IMMSP in the primary market.
15. Daily Statement of Commercial Bank, hereinafter referred to as DSCB, means a statement prepared and submitted by banks to Bank Indonesia on a daily basis, including provision of money market information and announcement from Bank Indonesia.

CHAPTER II

FULFILLMENT OF RESERVE REQUIREMENTS

Article 2

- (1) Banks must fulfill RR in Rupiah.
- (2) In addition to fulfilling the provision set forth in paragraph (1), Foreign Exchange Banks must also fulfill RR in foreign currencies.

Article 3

- (1) RR in Rupiah set forth in Article 2 paragraph (1) is determined 5% (five percent) of TPF in Rupiah.

- (2) In addition to fulfilling the provision set forth in paragraph (1), Banks which have a ratio of Financing in Rupiah to TPF in Rupiah is less than 80% (eighty percent) and which have:
- a. TPF in Rupiah higher than Rp1,000,000,000,000.00 (one trillion rupiah) to Rp10,000,000,000,000.00 (ten trillion rupiah) must maintain additional RR in Rupiah of 1% (one percent) of TPF in Rupiah;
 - b. TPF in Rupiah higher than Rp10,000,000,000,000.00 (ten trillion rupiah) to Rp50,000,000,000,000.00 (fifty trillion rupiah) must maintain additional RR in Rupiah of 2% (two percent) of TPF in Rupiah;
 - c. TPF in Rupiah higher than Rp50,000,000,000,000.00 (fifty trillion rupiah) must maintain additional RR in Rupiah of 3% (three percent) of TPF in Rupiah.
- (3) For Banks:
- a. which have a ratio of Financing in Rupiah to TPF in Rupiah of 80% (eighty percent) or more; and/or
 - b. which have TPF in Rupiah amounting to Rp1,000,000,000,000.00 (one trillion rupiah),
- the additional RR fulfillment set forth in paragraph (2) will not apply.

Article 4

- (1) Bank Indonesia may provide exemption for fulfillment of RR in Rupiah set forth in Article 3 paragraph (1) to Banks entering into merger or consolidation.
- (2) Exemption for fulfillment of RR in Rupiah set forth in paragraph (1) is determined 1% (one percent) for a period of 1 (one) year as from the effectiveness of such merger or consolidation.

- (3) Exemption for fulfillment of RR in Rupiah set forth in paragraph (1) will not apply to the fulfillment of additional RR in Rupiah.
- (4) Exemption for fulfillment of RR in Rupiah set forth in paragraph (1) is made at the request of a Bank to Bank Indonesia accompanied by the approval of OJK on merger or consolidation incentive granted in the form of exemption for fulfillment of RR in Rupiah.

Article 5

RR in foreign currencies set forth in Article 2 paragraph (2) is determined 1% (one percent) of TPF in foreign currencies.

Article 6

RR percentage set forth in Article 3 paragraphs (1) and (2) and Article 5 may be adjusted from time to time.

CHAPTER III

BANK'S DEMAND DEPOSIT ACCOUNT AT BANK INDONESIA

Article 7

- (1) Every Bank must maintain Rupiah Demand Deposit Account at Bank Indonesia.
- (2) In addition to maintaining Rupiah Demand Deposit Account set forth in paragraph (1), Foreign Exchange Banks must maintain Foreign Currency Demand Deposit Accounts at Bank Indonesia.
- (3) Procedure for opening, transferring, withdrawal, and closing of Bank's Rupiah Demand Deposit Accounts and Foreign Exchange Demand Deposit Accounts set forth in

paragraphs (1) and (2) is specified under Bank Indonesia provisions for Demand Deposit Account relation between Bank Indonesia and external parties.

Article 8

Bank Indonesia will not provide demand deposit interest on the obligation to maintain Rupiah Demand Deposit Accounts and Foreign Exchange Demand Deposit Accounts at Bank Indonesia set forth in Article 7 paragraphs (1) and (2).

CHAPTER IV

CALCULATION OF RESERVE REQUIREMENTS

Article 9

- (1) Banks must fulfill RR set forth in Articles 3 and 5 on a daily basis.
- (2) Fulfillment of Primary RR in Rupiah set forth in paragraph (1) is calculated by comparing the balance of Bank's Demand Deposit Account at Bank Indonesia at the end of day in 1 (one) reporting period to the daily amount of TPF in 1 (one) reporting period within the previous 2 (two) reporting periods.

Article 10

- (1) Bank's Demand Deposit Account balance at Bank Indonesia set forth in Article 9 paragraph (2) respectively consists of:
 - a. balance of Demand Deposit Account in Rupiah;
 - b. balance of Demand Deposit Account in Foreign Currencies.
- (2) Information on Bank's Demand Deposit Account at Bank Indonesia set forth in paragraph (1) is obtained from Bank Indonesia Real Time Gross Settlement system for

Demand Deposit Accounts in Rupiah and from Bank Indonesia accounting system for Demand Deposit Accounts in Foreign Currencies.

Article 11

- (1) TPF set forth in Article 9 paragraph (2) consists of:
 - a. total TPF in Rupiah in all Bank's offices in Indonesia;
 - b. total TPF in foreign currencies in all Bank's offices in Indonesia.
- (2) TPF in Rupiah includes obligations in Rupiah to non-bank third parties, either residents or non-residents, consisting of:
 - a. demand deposits;
 - b. savings;
 - c. time savings; and
 - d. other obligations.
- (3) TPF in foreign currencies includes obligations in foreign currencies to third parties, including banks in Indonesia, either residents or non-residents, consisting of:
 - a. demand deposits;
 - b. time savings; and
 - c. other obligations.
- (4) Information on TPF set forth in paragraphs (2) and (3) is obtained from data of TPF in Rupiah and foreign currencies submitted by Banks in Periodic Statements of Commercial Banks under the applicable provisions for periodic statements of commercial banks.

CHAPTER V

PROCEDURE FOR CALCULATION OF RATIO OF FINANCING IN RUPIAH TO THIRD PARTY FUNDS IN RUPIAH

Article 12

- (1) Ratio of Financing in Rupiah to TPF in Rupiah is calculated by comparing the amount of Financing in Rupiah at the end of a reporting period in the reports of the previous 2 (two) periods.
- (2) Financing in Rupiah set forth in paragraph (1) is obtained from data of Financing submitted by Banks in Periodic Statements of Commercial Banks under the applicable provisions for periodic statements of commercial banks.
- (3) TPF in Rupiah set forth in paragraph (1) is obtained from data of demand deposits, savings, time deposits, and any other forms equal thereto submitted by Banks in Periodic Statements of Commercial Banks under the applicable provisions for periodic statements of commercial banks.

CHAPTER VI

AUDIT BY BANK INDONESIA

Article 13

- (1) Bank Indonesia may conduct examination Banks to ensure their compliance with the implementation hereof.
- (2) The examination set forth in paragraph (1) may be carried on in the following methods:
 - a. Bank Indonesia makes a direct audit;
 - b. Bank Indonesia makes a joint examination with OJK; and
 - c. Bank Indonesia uses examination data provided by OJK.

CHAPTER VII

SANCTIONS

Article 14

Banks in breach of the RR fulfillment obligation set forth in Articles 3 and 5 will be imposed with the following sanctions:

- a. written warning;
- b. penalties as follows:
 1. Banks in breach of RR fulfillment obligation in Rupiah set forth in Article 3 paragraphs (1) and (2) will be imposed with a penalty of 125% (one hundred twenty-five percent) of SIMA Yield Indication Rate on the breach day against any shortfall in RR in Rupiah for each breach day.
 2. In the event data of SIMA Yield Indication Rate set forth in number 1 is not available, a penalty will be calculated by the average yield rate of *mudharabah* investment deposit yield within 1 (one) month prior to distribution on the previous month of all Banks.
 3. Banks in breach of RR fulfillment obligation in foreign currencies set forth in Article 5 will be imposed with a penalty of 0.04% (zero point zero four percent) per business day, calculated from the difference between mandatory daily balance of Bank's Foreign Currency Demand Deposit Accounts at Bank Indonesia and that recorded on the accounting system of Bank Indonesia.
 4. The penalty set forth in number 3 will be paid in Rupiah by using Bank Indonesia middle rate on the breach day.

Article 15

The sanctions set forth in Article 20 letter b number 1 are exempted from Banks receiving dispensation for fulfillment of RR in Rupiah set forth in Article 4 paragraph (1), to the extent a shortfall in RR in Rupiah does not exceed 1% (one percent) of TPF in Rupiah.

Article 16

- (1) The sanctions set forth in Article 14 are imposed by debiting Bank's Rupiah Demand Deposit Accounts at Bank Indonesia.
- (2) Bank's Rupiah Demand Deposit Account in the sanction imposition set forth in paragraph (1) will be debited no later than 3 (three) business days after the breach day.
- (3) In the event a shortfall or excess is found on the account debiting pertaining to the sanction imposition set forth in paragraph (1), Bank Indonesia may directly debit or credit the relevant Bank's Demand Deposit Account as specified in Bank Indonesia provisions for Bank Indonesia Real Time Gross Settlement system for Bank's Rupiah Demand Deposit Account and for Bank Indonesia accounting system for Bank's Foreign Currency Demand Deposit Account.
- (4) In the event the balance of Bank's Rupiah Demand Deposit Account is not sufficient during the debiting set forth in paragraph (2), all such penalties will be calculated as its pending obligation to Bank Indonesia.
- (5) In the event the balance of Bank's Rupiah Demand Deposit Account is not sufficient for such debiting set forth in paragraph (4), an additional penalty of 150% (one hundred fifty percent) of SIMA Yield Indication Rate may apply.
- (6) In the event data of SIMA Yield Indication Rate set forth in paragraph (5) is not available, a penalty is calculated as set forth in Article 14 letter b number 2.

CHAPTER VIII
CONCLUDING PROVISIONS

Article 17

Upon enforcement hereof:

- a. Bank Indonesia Regulation Number 6/21/PBI/2004 on Reserve Requirements in Rupiah and Foreign Currencies for Commercial Banks Carrying on Business Activities under Sharia Principles (State Gazette of the Republic of Indonesia Number 73 of 2004, Supplement to State Gazette of the Republic of Indonesia Number 4404);
- b. Bank Indonesia Regulation Number 8/23/PBI/2006 on Amendment to Bank Indonesia Regulation Number 6/21/PBI/2004 on Reserve Requirements in Rupiah and Foreign Currencies for Commercial Banks Carrying on Business Activities under Sharia Principles (State Gazette of the Republic of Indonesia Number 80 of 2006, Supplement to State Gazette of the Republic of Indonesia Number 4649); and
- c. Bank Indonesia Regulation Number 10/23/PBI/2008 on the Second Amendment to Bank Indonesia Regulation Number 6/21/PBI/2004 on Reserve Requirements in Rupiah and Foreign Currencies for Commercial Banks Carrying on Business Activities under Sharia Principles (State Gazette of the Republic of Indonesia Number 150 of 2008, Supplement to State Gazette of the Republic of Indonesia Number 4908),

shall be revoked and declared no longer valid.

Article 18

This Bank Indonesia Regulation starts to take effect as from 31 December 2013.

In order for this Regulation to become publicly known, it is hereby ordered that this Regulation be promulgated in the State Gazette of the Republic of Indonesia.

Established in Jakarta

on 24 December 2013

BANK INDONESIA GOVERNOR,

AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta

on 24 December 2013

MINISTER OF LAW AND HUMAN RIGHTS

OF THE REPUBLIC OF INDONESIA,

AMIR SYAMSUDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 236 OF 2013

DKMP

ELUCIDATION
ON
BANK INDONESIA REGULATION
NUMBER: 15/16/PBI/2013
ON RESERVE REQUIREMENTS IN RUPIAH AND FOREIGN CURRENCIES FOR
SHARIA COMMERCIAL BANKS AND SHARIA BUSINESS UNITS

I. GENERAL

Liquidity management of sharia banks is required for optimum monetary policy transmission by banking system through the role of Banks in payment system, interbank money market under sharia principles, and intermediary function in credit extension.

Liquidity condition of sharia banks as one of the key actors in financial system may affect financial system stability, and therefore, efforts to maintain liquidity adequacy of sharia banks must be made in a measured manner to ensure consistency with their asset growth.

Policy on liquidity reinforcement of sharia banking is performed by considering its impacts on macroeconomic condition, overall sharia banking system, and the conditions of individual Banks.

In addition, because the operational characteristics of Sharia Commercial Banks and Sharia Business Units are different from conventional commercial banks, provisions for RR for Sharia Commercial Banks and Sharia Business Units must consider such operational characteristics and conformity with *fiqih* principles.

II. ARTICLE BY ARTICLE

Article 1

Self-explanatory

Article 2

Self-explanatory

Article 3

Paragraph (1)

RR in Rupiah is fulfilled by observing the ratio of Financing in Rupiah to TPF in Rupiah and amount of TPF in Rupiah owned by Banks.

Paragraph (2)

Letter a

Example:

A Bank has ratio of Financing in Rupiah to TPF in Rupiah of 75% (seventy-five percent) and total TPF in Rupiah of Rp5,000,000,000,000.00 (five trillion rupiah). The Bank must maintain RR in Rupiah of:

1. 5% (five percent) of Rp5,000,000,000,000.00 (five trillion rupiah);
added by
2. 1% (one percent) of Rp5,000,000,000,000.00 (five trillion rupiah).

Letter b

Example:

A Bank has ratio of Financing in Rupiah to TPF in Rupiah of 75% (seventy-five percent) and total TPF in Rupiah of Rp25,000,000,000,000.00 (twenty-five trillion rupiah). The Bank must maintain RR in Rupiah of:

1. 5% (five percent) of Rp25,000,000,000,000.00 (twenty-five trillion rupiah); added by
2. 2% (two percent) of Rp25,000,000,000,000.00 (twenty-five trillion rupiah)

Letter c

Example:

A Bank has ratio of Financing in Rupiah to TPF in Rupiah of 75% (seventy-five percent) and total TPF in Rupiah of Rp55,000,000,000,000.00 (fifty-five trillion rupiah). The Bank must maintain RR in Rupiah of:

1. 5% (five percent) of Rp55,000,000,000,000.00 (fifty-five trillion rupiah); added by
2. 3% (three percent) of Rp55,000,000,000,000.00 (fifty-five trillion rupiah).

Paragraph (3)

Self-explanatory

Article 4

Paragraph (1)

Self-explanatory

Paragraph (2)

By giving dispensation for fulfillment of RR in Rupiah of 1% (one percent), the RR in Rupiah which must be held by a Bank changes from 5% (five percent) to 4% (four percent).

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Article 5

Example of calculation of RR in foreign currencies:

Within a reporting period from 8 to 15 January 2014, a Bank has daily average of total TPF in foreign currencies of USD100,000,000.00 (one hundred million US Dollar).

Daily RR in foreign currencies for a reporting period from 24 to 31 January 2014 which must be held by a bank is:

$1\% \times \text{USD}100,000,000.00 = \text{USD}1,000,000.00$ (one million US Dollar).

Article 6

Adjustment is made consistent with the direction of Bank Indonesia's policy by considering, among others, the conditions of macro-economy, monetary, and financial system.

Article 7

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

For fulfillment of RR in foreign currencies, a Bank must make a foreign currency deposit from its account with Bank Indonesia to The Federal Reserve Bank of New York, New York (FRB).

The Bank will thereafter submit to Bank Indonesia such foreign currency deposit information in writing, among others, through SWIFT or letter, no later than 14.00 West Indonesia Time on the foreign currency date.

In the event a Bank makes a withdrawal from its Foreign Currency Demand Deposit Account, the request for such withdrawal must be received by Bank Indonesia no later than 2 (two) business days prior to the foreign currency date.

Article 8

Self-explanatory

Article 9

Paragraph (1)

Self-explanatory

Paragraph (2)

The formula for calculation of RR percentage is as follows:

$$\frac{\text{Amount of daily balance of Bank's Demand Deposit Account recorded with Bank Indonesia within 1 (one) reporting period}}{\text{Average of Bank's daily TPF amount in 1 (one) reporting period within the previous 2 (two) reporting periods}} \times 100\%$$

The Bank's RR percentage in Rupiah or foreign currencies set forth above is based on Bank's TPF as follows:

- a. Daily RR for a reporting period from the first day to the seventh day is the RR percentage determined from the average of TPF within a reporting period from the sixteenth to the twenty-third day of the previous month;
- b. Daily RR for a reporting period from the eighth day to the fifteenth day is equal to the RR percentage determined from the average of TPF amount within a reporting period from the twenty-fourth day to the last day of the previous month;

- c. Daily RR for a reporting period from the sixteenth day to the twenty-third day is equal to the RR percentage determined from the average of TPF amount within a reporting period from the first day to the seventh day of the same month;
- d. Daily RR for a reporting period from the twenty-fourth to the last day is equal to the RR percentage determined from the average of TPF amount within a reporting period from the eighth day to the fifteenth day of the same month.

Article 10

Paragraph (1)

For a Bank carrying on business activities in a conventional manner and under sharia principles, the balance of the Bank's Demand Deposit Account is that of the SBU's Demand Deposit Account.

Paragraph (2)

Self-explanatory

Article 11

Paragraph (1)

For a Bank carrying on business activities in a conventional manner and under sharia principles, the balance of the Bank's Demand Deposit Account is that of the SBU's Demand Deposit Account.

Paragraph (2)

Letter a

“Demand deposit” in Rupiah means demand deposit component set forth in the elucidation on components of Third Party Funds in Rupiah in the provisions for periodic statements of commercial banks.

Letter b

“Savings” in Rupiah means the savings component set forth in the elucidation on components of Third Party Funds in Rupiah in the provisions for periodic statements of commercial banks.

Letter c

“Time savings/deposit” in Rupiah means the time savings component set forth in the elucidation on components of Third Party Funds in Rupiah in the provisions for periodic statements of commercial banks.

Letter d

“Other obligations” in Rupiah means other obligations to non-bank third parties set forth in the elucidation on components of Third Party Funds in Rupiah in the provisions for periodic statements of commercial banks.

Paragraph (3)

Letter a

“Demand deposit” in Rupiah means demand deposit component set forth in the elucidation on components of Third Party Funds in foreign currencies in the provisions for periodic statements of commercial banks.

Letter b

“Time savings” in foreign currencies means the time savings component set forth in the elucidation on components of Third Party Funds in foreign currencies in the provisions for periodic statements of commercial banks.

Letter c

“Other obligations” in foreign currencies means other obligations to third parties, including banks, set forth in the elucidation on components of Third

Party Funds in foreign currencies in the provisions for periodic statements of commercial banks.

Article (4)

Self-explanatory

Article 12

Paragraph (1)

$$\frac{\text{Amount of Financing in Rupiah at the end of a reporting period in reports within the previous 2 (two) reporting periods}}{\text{Amount of TPF in Rupiah at the end of a reporting period in reports within the previous 2 (two) reporting periods}} \times 100\%$$

Ratio of financing in Rupiah to TPF in Rupiah set forth above is based on the Bank's Financing and TPF as follows:

- a. percentage of RR in Rupiah for a reporting period from the first day to the seventh day is determined by using a ratio obtained from Financing in Rupiah and TPF in Rupiah on the twenty-third day of the previous month;
- b. percentage of RR in Rupiah for a reporting period from the eighth day to the fifteenth day is determined by using a ratio obtained from Financing in Rupiah and TPF in Rupiah on the last day of the previous month;
- c. percentage of RR in Rupiah for a reporting period from the sixteenth day to the twenty-third day is determined by using a ratio obtained from Financing in Rupiah and TPF in Rupiah on the seventh day of the same month;
- d. percentage of RR in Rupiah for a reporting period from the twenty-fourth day to the last day is determined by using a ratio obtained from Financing in Rupiah and TPF in Rupiah on the fifteenth day of the same month.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Article 13

Paragraph (1)

Self-explanatory

Paragraph (2)

Upon examination of Banks, Bank Indonesia will submit a written notice to OJK.

Article 14

Letter a

Self-explanatory

Letter b

Number 1

“Day” means business days.

SIMA Yield Indication Rate uses the data of weighted average of SIMA

Yield Indication Rate in the primary market obtained from DSCB.

Calculation of the penalty for a shortfall in RR in Rupiah is as follows:

$$\frac{\text{Shortfall in RR} \times 125\% \times \text{SIMA Yield Indication Rate} \times \text{number of breach day(s)}}{360}$$

Example 1 of penalty calculation:

Bank A has ratio of Financing to TPF of 75% (seventy-five percent) and average daily TPF in Rupiah within a reporting period from 8 to 15 January

2014 amounting to Rp2,000,000,000,000.00 (two trillion rupiah). RR in Rupiah for a reporting period from 24 January to the last day of January which must be held by Bank A is as follows:

- a. 5% (five percent) of Rp2,000,000,000,000.00 (two trillion rupiah) amounting to Rp100,000,000,000.00 (one hundred billion rupiah); added by
- b. 1% (one percent) of Rp2,000,000,000,000.00 (two trillion rupiah) amounting to Rp20,000,000,000.00 (twenty billion rupiah).

On 24 January 2014, the balance of Rupiah Demand Deposit Account of Bank A with Bank Indonesia is Rp100,000,000,000.00 (one hundred billion rupiah) or 5% (five percent) of TPF in Rupiah. Then, there is a shortfall in RR amounting to Rp20,000,000,000.00 (twenty billion rupiah).

In the event SIMA Yield Indication Rate on 24 January 2014 is 5% (five percent), the calculation of penalty for breach of RR in Rupiah applicable to Bank A on such date is as follows:

$$\begin{aligned}
 & \frac{\text{Shortfall in RR} \times 125\% \times \text{SIMA Yield Indication Rate} \times \text{number of breach day(s)}}{360} \\
 = & \frac{\text{Rp20,000,000,000.00} \times 1.25 \times 5\% \times 1}{360}
 \end{aligned}$$

Example 2 of penalty calculation:

Bank B has ratio of Financing to TPF of 85% (eighty-five percent) and average daily TPF in Rupiah within a reporting period from 8 to 15 January 2014 amounting to Rp800,000,000,000.00 (eight hundred billion rupiah). RR in Rupiah for a reporting period from 24 to 31 January 2014 is 5% of

Rp800,000,000,000.00 (eight hundred billion rupiah) amounting to Rp40,000,000,000.00 (forty billion rupiah).

On 24 January 2014, the balance of Rupiah Demand Deposit Account of Bank B with Bank Indonesia is Rp20,000,000,000.00 (twenty billion rupiah) or 2.5% (five percent) of TPF in Rupiah. Then, there is a shortfall in RR amounting to Rp20,000,000,000.00 (twenty billion rupiah).

In the event SIMA Yield Indication Rate on 24 January 2014 is 5% (five percent), the calculation of penalty for breach of RR in Rupiah applicable to Bank B on such date is as follows:

$$\begin{aligned} & \frac{\text{Shortfall in RR} \times 125\% \times \text{SIMA Yield Indication Rate} \times \text{number of breach day(s)}}{360} \\ = & \frac{\text{Rp20,000,000,000.00} \times 1.25 \times 5\% \times 1}{360} \end{aligned}$$

Number 2

Data of yield rate of *mudharabah* investment deposit 1 (one) month prior to distribution recorded in DSCB is used herein.

Number 3

Example of calculation:

Bank A has a daily average of total TPF in foreign currencies within a reporting period from 8 to 15 January 2014 amounting to USD100,000,000.00 (one hundred million US Dollar).

Daily RR in foreign currencies for a reporting period from 24 to 31 January 2014 amounts to:

$$1\% \times \text{USD100,000,000.00} = \text{USD1,000,000.00 (one million US Dollar)}$$

Foreign Currency Demand Deposit Account balance of Bank A with Bank Indonesia on 24 January 2014 is USD900,000.00 (nine hundred thousand US Dollar), resulting in a shortfall in RR fulfillment amounting to USD100,000.00 (one hundred thousand US Dollar).

The calculation of penalty for breach of RR in foreign currencies by the Bank on 24 January 2014 is as follows:

$0.04\% \times (\text{USD}1,000,000.00 - \text{USD}900,000.00) = \text{USD}40.00$ (forty US Dollar).

Number 4

“Bank Indonesia middle rate” is the selling rate plus buying rate divided by two.

Article 15

Self-explanatory

Article 16

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Paragraph (5)

SIMA Yield Indication Rate uses the data of weighted average of SIMA Yield Indication Rate in the primary market obtained from DSCB.

Example:

On 20 January 2014:

The balance of Rupiah Demand Deposit Account of Bank A is Rp100,000,000,000.00 (one hundred billion rupiah). The penalty applicable to pay RR shortfall is Rp120,000,000,000.00 (one hundred twenty billion rupiah).

Additional amount of the penalty is:

$$\frac{(120,000,000,000-100,000,000,000) \times 150\% \times \text{SIMA Yield Indication Rate} \times 1}{360}$$

On 23 January 2014:

The balance of Rupiah Demand Deposit Account of Bank A is Rp80,000,000,000.00 (eighty billion rupiah). The penalty applicable to pay RR shortfall is Rp130,000,000,000.00 (one hundred thirty billion rupiah). Additional amount of the penalty is:

$$\frac{(130,000,000,000-80,000,000,000) \times 150\% \times \text{SIMA Yield Indication Rate} \times 1}{360}$$

without calculating the additional penalty on 20 January 2014 unpaid by the Bank.

Paragraph (6)

Self-explanatory

Article 17

Self-explanatory

Article 18

Self-explanatory

SUPPLEMENT TO STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER
5479